

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re	:	Chapter 11
WALKER COUNTY HOSPITAL CORPORATION	:	Case No. 19-36300 (DRJ)
D/B/A HUNTSVILLE MEMORIAL HOSPITAL,	:	Re: Dkt. Nos. 12, 67, 106, 131,
Debtor. <sup>1</sup>	:	177, 195
	:	

**SIXTH SUPPLEMENTAL NOTICE OF (I) CURE AMOUNTS WITH RESPECT TO  
EXECUTORY CONTRACTS AND UNEXPIRED LEASES TO POTENTIALLY BE  
ASSUMED AND ASSIGNED AND (II) POTENTIAL ASSUMPTION AND  
ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

PLEASE TAKE NOTICE that, pursuant to the Order: (I)(A) Approving Bidding Procedures and Bid Protection, (B) Permitting Debtor to Designate Stalking Horse Purchaser(s) and Grant Bid Protections, (C) Scheduling a Hearing to Consider Approval of the Sale of Assets, (D) Approving Assumption and Assignment Procedures, (E) Approving Form and Manner of Notice of Sale, and (F) Granting Related Relief; and (II)(A) Authorizing and Approving the Sale of Substantially All Assets of the Debtor Free and Clear of Liens, Claims, Interests, and Encumbrances, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief (Dkt. No. 67) (the “**Bidding Procedures Order**”)<sup>2</sup> entered by the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”), the above-captioned debtor and debtor in possession (the “**Debtor**”) and Walker County Hospital District (the “**District**”) and Huntsville Community Hospital, Inc. (“**Newco**” and together with the District, the “**Buyers**”), the Successful Bidder under that certain Order: (I) Approving the Sale of Substantially All Assets of the Debtor Free and Clear of All Liens, Claims, Encumbrances, and Interests; (II) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (III) Granting Related Relief (Dkt. No. 229) entered by the Bankruptcy Court on December 30, 2019 (the “**Sale Order**”), provides this notice that you and the Debtor are party to one or more of the various managed care contracts set forth on Exhibit 1 to this notice (the “**Managed Care Contracts**”), which Managed Care Contracts will be assumed and assigned to the Buyers in connection with the sale of all or substantially all of the assets of the Debtor, as more specifically referenced in the Sale Order.

<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are: 0960. The location of the Debtor’s service address is: P.O. Box 4001, Huntsville, TX 77342-4001, Attn: Steven Smith.

<sup>2</sup> Capitalized terms used in this Notice but not otherwise defined shall have the meanings ascribed to them in the Sale Order.



**PLEASE TAKE FURTHER NOTICE** that set forth on **Exhibit 1** is the amount the Debtor's records reflect is owing to cure any and all defaults under each Managed Care Contract (each amount, a "***Cure Amount***") to permit the assumption and assignment of each Managed Care Contract pursuant to section 365 of the Bankruptcy Code.

**PLEASE TAKE FURTHER NOTICE** that, notwithstanding any indication in **Exhibit 1** of what the Debtor's records reflect as the Cure Amounts, the Cure Amounts with respect to the Managed Care Contracts shall include all amounts potentially owed pursuant to certain overpayments that have been or may be identified by the Managed Care Contract Counterparties (defined below) for services rendered prior to the closing of the sale (the "***Unpaid Obligations***"). The Buyers and counterparties to the Managed Care Contracts (the "***Managed Care Contract Counterparties***") agree that the Buyers will pay the Unpaid Obligations in the ordinary course of business, and that the Managed Care Contract Counterparties may also set-off or recoup some or all of the Unpaid Obligations from payments of claims rendered pursuant to the Managed Care Contracts before or after the closing of the sale to the extent allowed under the Managed Care Contracts.

**PLEASE TAKE FURTHER NOTICE** in lieu of any Cure Amount (including any amounts provided for in the previously filed cure notices), all Unpaid Obligations due and/or accrued under the Managed Care Contracts shall pass through to the Buyers and survive assumption and assignment so that nothing in the Sale Order nor 11 U.S.C. § 365 shall affect the Unpaid Obligations due under the Managed Care Contracts.

**PLEASE TAKE FURTHER NOTICE** that the parties have reached consensual resolution regarding the above referenced treatment of Managed Care Contracts with respect to all contracts listed in **Exhibit 1**.

**PLEASE TAKE FURTHER NOTICE** that all documents filed with the Bankruptcy Court in connection with the above-captioned case are available for free on the website of the court-appointed claims and noticing agent in this case, Epiq Corporate Restructuring, LLC at <https://dm.epiq11.com/case/WCH/info>.



Dated: February 4, 2020  
Houston, Texas

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**EXHIBIT 1**  
**MANAGED CARE CONTRACTS AND CURE AMOUNTS**



<u>Number</u>	<u>Case #</u>	<u>Debtor Name</u>	<u>Counterparty</u>	<u>Contract Description</u>	<u>Cure Amount<sup>3</sup></u>
1	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	UnitedHealthcare	Facility Participation Agreement dated March 1, 2005, between Walker County Hospital Corporation D/B/A Huntsville Memorial Hospital and United HealthCare of Texas, Inc. and United HealthCare Insurance Company	\$0
2	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Amerigroup Texas, Inc. d/b/a Amerigroup Community Care	Participating Provider Agreement dated October 14, 2013, between Walker County Hospital Corporation D/B/A Huntsville Memorial Hospital and Amerigroup Texas, Inc. d/b/a Amerigroup Community Care.	\$0
3	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation	Hospital Agreement for PPO/POS Network Participation dated October 15, 2009 between Walker County Hospital Corporation D/B/A Huntsville Memorial Hospital and Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, as amended by (i) Amendment 1 dated January 15, 2012; (ii) Amendment 2; (iii) Amendment 3; (iv) Amendment 4; (v) Amendment 5 dated January 1, 2016.; (vi) Amendment 6 dated January 1, 2016	\$0
4	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Blue Cross and Blue Shield of Texas	Hospital Agreement for HMO Network Participation dated October 15, 2009 between Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital and Blue Cross and Blue Shield of Texas, as amended by (i) Amendment 1 dated January 15, 2012; (ii) Amendment 2; (iii) Amendment 3; (iv) Amendment 4; (v) Amendment 5 dated January 1, 2016; (vi) Amendment 6 dated January 1, 2016	\$0
7	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Blue Cross and Blue Shield of Texas	Hospital Agreement for Blue Advantage HMO Network Participation dated April 15, 2013 between Walker County Hospital Corporation	\$0

<sup>3</sup> All pre-closing liabilities shall pass to the Successful Bidder per the terms of this *Sixth Supplemental Notice of (I) Cure Amounts with Respect to Executory Contract and Unexpired Leases to Potentially Be Assumed and Assigned and (II) Potential Assumption and Assignment of Executory Contracts and Unexpired Leases.*



				d/b/a Huntsville Memorial Hospital and Blue Cross and Blue Shield of Texas, as amended.	
5	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Blue Cross and Blue Shield of Texas	Hospital Agreement for Traditional Indemnity Business dated October 15, 2009 between Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital and Blue Cross and Blue Shield of Texas, as amended by: (i) Amendment 1 dated January 15, 2012; (ii) [Amendment 2]; (iii) [Amendment 3]; (iv) [Amendment 4]; (v) Amendment 5 dated January 1, 2016.	\$0
6	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Blue Cross and Blue Shield of Texas.	Settlement Agreement between Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital and Blue Cross and Blue Shield of Texas.	\$0
7	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Texas Children's Health Plan, Inc.	Hospital Services Agreement dated January 1, 2005 between Walker County Hospital Corporation D/B/A Huntsville Memorial Hospital and Texas Children's Health Plan, Inc., as amended by: (i) Amendment dated October 1, 2011; (ii) Amendment dated July 1, 2012; (iii) Amendment dated September 1, 2015.	\$0
8	19-36300	Walker County Hospital Corporation d/b/a Huntsville Memorial Hospital	Texas Children's Health Plan, Inc.	Professional Services Agreement dated August 1, 2011 between Walker County Hospital Corporation D/B/A Huntsville Memorial Hospital and Texas Children's Health Plan, Inc.	\$0

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